an entercediments unor ganized, but perfectly timed, celebration, with dancing in the streets, a proce sion of banners marked with the names of various collery utter associations, and an air of utter galety. The crowd was orderly, but it is said an as the afternoon wears on and drink takes hold, there are certain departures from propriety. At that point, the merchants board up the windows of their shops, and the mothers lock up their dawjaters. About noon, Mr. Watson's guests, headed by the Gaitskelle, gathered cutside the hotel and set off by foot for the speakers' platform erected at the race course. E and I were introduced by Mr. Watson and Mr. Gaitskell, and reference made to her mother's family's long residence in County Durham, just short of a thousand years.

We took off about 2:30 with Bob Smith for Leeming. We picked up General Brown, whose plane we were using, at Liverpool, and were home at 6:30.

At 7:30 we reported in at Covent Garden as guests of Lord and Lady Drogheda.

Amongst his many other activities, he is Director of Covent Garden. The Ballet tonight, given by the Leningrad Kirov Opera Company, was "The Sleeping Beauty".

We were in the Royal Bex, together with the Soviet Ambassador and his wife, and the Soviet Director of the Russian Trade Fair in London. The hallet was a triumph, and what with encores, curtain calls, speeches (it being the last night of their performances here), the proceedings instead almost four hours. It was beautiful, and I have never seen a more enthusiastic audience. We went to bed about one o'clock,

## July 16, 1981 - Sunday

This morning I read cables, then gave a lunch at The George, a picturesque inn in the heart of the city, just off the Thames, for Al Wells, his daughter, Gully, E and our children. We had a wondt full fileh, Weat, kidney and mushroom pie, great steins of Ffowers craught bitter, cheese, applepie, Devonshire cream, etc.

This inn now belongs to the National Trust, but is leased for operation to Flowers

Brewery. The proprietor and his wife are delightful people. The Canon of
near-by Southwark Cathedral came in during lunch and presented us with a colored
photograph of the American Memorial Chapel in his Cathedral.

It rained all day, which did not deter the children from playing cricket this afternoon. I spent the evening writing a telegram, as follows:

"From Bruce.

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Re Embtel, following are additional observations:

Obviously, after only few months residence, my personal estimate of British political scene is impressionistic and perhaps overly subjective.

Would seem to me UK now faces three major problems, 1. Economic and

Financial, 2. Common Market, 3. Berlin.

1. As State and Treasury aware, economic and financial situation UK deeply disturbing. Chancellor of Exchequer's proposals on July 25 will undoubtedly be unpopular, even if sound. Austerity imposed upon seeming prosperity, particularly under conditions full-employment, is politically unattractive. Gaitskell, in speech at Durham Miners Gale last Saturday, threw down gauntlet, and will capitalize on theme of "we never had it so good".

 Majority of Cabinet has favored UK joining Common Market. Of three objections against such course: a. Obligations to EFTA; b. Harm to domestic agricultural and horticultural interests; c. Reaction in Commonwealth nations.

only c. had possibility validity, since others could be compromised.

If PriMin had acted more speedily and ruthlessly perhaps Commonwealth objections would not have been so serious. Now, his emissaries have been confronted with a shopping list of exceptions and derogations, a press campaign, led by Beaverbrook, traditional champion of Imperial preferences, has made some headway. Trade and balance of payments deterioration may provide specious arguments in fevor continuing insularity. Outcome will depond on determination by one individual, Macmillan.

3. Berlin constitutes most critical Governmental concern. In past, it was shoved under rug, or postponed by peripatetic wanderings of Allied statesmen, conferences, and other dilatory maneuvers, but presen by there is belief that Krushchev intends, in absence of settlement favorable to him, to sign separate peace treaty this year with so-called sovereign East German Republic. Consequences of such act literally appal Government and people because of fear of nuclear war ensuing.

Left to own devices, UK Government, with overwhelming support voters, would, I believe, acknowledge GDR at least de facto, and legalize semi-permanent or permanent division Germany. However, in view contrary American policy, they will align their policies to conform with our own, after exhausting arguments against it. They regard our military contingency planning as super hypothetical, and unrealistic, since they consider political appets have overriding importance.

SECRET

The prospect of berlin crisis provoking, or leading, through inadvertence or accidemt, to nuclear war, is regarded here with horror. Nor are they unaware that if the West Berliners are forsaken, the maskey will be on the American back and not on their own. Stout as they invariably are in a showdown, their national political temperament inclines them to compromise, even at expense of principle.

So far I have been speaking of the Government. It is dominated by Prime Minister Macmillan. He picked up after Suez, and, in Churchillian tradition, made touchstone his own decisions in field foreign policy accommodation with

ultimate US positions.

3

To date, he has, in this respect, carried his Cabinet with him. Unlike our Cabinet procedure, this is sometimes a delicate task, for if there is much dissatisfaction the Government may fall. The Cabinet members are, in distinction to our own, parliamentarians, not simply agents of the Prime Minister.

The Cabinet figure who has latterly most gained in stature is Lord Home, Foreign Minister. This independent Scot, pawky in humor, uninvolved in strict party doctrine, in some degree free of private ambition, has taken a tough line over Berlin. It would be inconceivable for as loyal a man to have done so

without the approval of his Chief.

I would guess that if the US Government decides to risk nuclear war over Berlin we would obtain the support of the British Government at the last moment. I do not think we would get such approval unless we had first negotiated with the Soviets in one or more conferences or confrontations between President and Krushchev. I say "last moment", I men after our President had irrevocably decided upon such a course, regardless of foreign expostulations.

The speculations set forth above would appear to any reader of the British press to contradict public opinion. This is true. Germany and the Germans are notably unpopular in this country. Selling the whole kit and caboodle of them down any river would not arouse indignation, until later events revealed this

had been harmful to the national security.

German bombing of Great Britain, Jewish persecution, and other cruelities, made an indelible impression on the Islanders. They considered such conduct signally unprincipled and, as applied to themselves, impudent. Unconsciously, they regard themselves so the true herrenvolk, and the Germans as untrustworthy, unattractive, dangerous and somewhat ridiculous, barbarians beneath a civilized veneer. It should not be overlooked that the word "Bun" still has common

currency in England, Scotland, and Wales.

Nor do German prosperity, rates of taxation, comparative superiority in many competing particulars, and tranquil subordination to leadership, endear their citizens and institutions to the British. Joy through work is not a British ideal, as it is in West Germany. Envy of crescent German power is galling to those who for more than a century, considered the exercise of power in Europe their peculiar prerogative. The same reflection applies, in diminished force, to their suspicion and envy of ourselves. Decline of influence is either unnoticed and unacknowledged, or, if publicly manifest, can embitter a proud people against those to whom the torch has passed.

How much attention should we pay to demonstrations against the Polaris base at Holy Loch, unflateralism, panning the bomb marchers, Bertrand Russell defeatism, glorification of Soviet cumtre as expressed by the admirable Leningrad Kirov ballet configure, tand, in the last few days; by the enthusiastic hysteria over Major Gagarin? SECRET

I should like nothing better than to attempt analysis of these and like questions if they had not been, or shortly will be, covered by Embassy reports from which conclusions can be drawn according to one's own interpretation and bias.

Personally, I believe that, realistically, we must deal in terms of power. Power, in this country, resides in its Government. That Government must conform its policies re Berlin, in the last analysis, to our own (as must Adenauer), unless our decisions are so adverse to the national security interests at to be unbearable. Probably, conclusions about Berlin will be reached wille actual Government is still operative; otherwise, similar attitudes will prevail, though accent will be different. It will, I trust and hope, take more than a Berlin crisis to shatter the easential solidarity of informed self-interest between the English-speaking peoples."

## July 17, 1961 - Monday

I called on the Thai Ambassador, Mr. Peekdhip Malakul, this morning.

He was born in 1906, and attended the Assumption College in Bangkok and the Inner Temple in London. He is a career diplomat. Employed in the Ministry of Foreign Affairs since at least 1940, he served as Chief of the Protocol Division from 1942 to 1948, when he was appointed Charge d'Affairs in Rangoon. He returned to the Foreign Office in Bangkok in 1953, serving briefly as Director General of the Economic Affairs Department. In mid-1957 he was promoted to Deputy Undersecretary, and in September of the same year was promoted to Undersecretary. I found him, like all Siamese I have met, polite,

Afterwards, I went to see the Costa Rican Ambassador, Dr. Alfredo Sotela Alfaro. He was born in 1910 of middle class parents. He was graduated in 1934 from the Free University of Brussels, as a Doctor of Medicine, Surgeon, and Obstetrician. He did postgraduate work in trapical medicine at Tulane University, New Orleans, in 1946. While at Tulane University he published a study on "Biological Races of Ampholine Mosquitoes and their Significance in Malaria."

Dr. Alfaro was algority a display to the Legislatural desembly for the province of